

Executive Registry

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Central Intelligence Agency
Washington, D.C. 20505

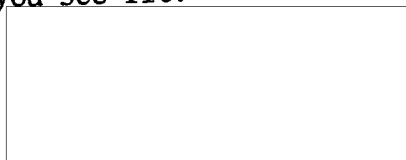
26 September 1984

JM

Executive Director

NOTE FOR: DDA
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You will recall that we had four papers we were going to pull together for the Director's possible use during whatever window of opportunity may exist in December or January. You have seen two of the papers and have commented to me on them. Here's the third from Jim Hirsch. Please give me your thoughts or add to it as you see fit.



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DDS&T 722-84

25 September 1984

MEMORANDUM FOR: Executive Director

FROM: James V. Hirsch
Associate Deputy Director for Science and
Technology

SUBJECT: Possible Additional Pay Flexibility and/or
Benefits

Attached is a summary of pay and benefit ideas that are potential Agency adaptations of those floating around in the private sector these days. They were compiled by an ad hoc group representing all DS&T offices. As noted, these proposals are aimed at attracting high quality applicants, retaining quality talent, and improving employee satisfaction and morale. Hopefully they will be considered in the light of these long-term goals and not as just another plea by current employees.

[Redacted Signature Box]

James V. Hirsch

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Attachment:
As stated



POSSIBLE ADDITIONAL PAY FLEXIBILITY AND/OR EMPLOYEE BENEFITS

These proposals are aimed at attracting high quality applicants, retaining quality talent, and improving employee satisfaction and morale. They include both proposals that the DCI can implement using his special authority and those that will require additional legislation.

Pay. The following recommendations are aimed at increasing pay flexibility by using the existing system to better advantage.

a. More flexible use of Periodic Step Increases (PSI's) by reducing waiting periods to six months for the first three steps and one year for the remaining steps.

b. Immediate PSI's for secretaries taking more responsible jobs at the same grade.

c. Changes in the SIS bonus system. Bonuses should go to more than 20 per cent of the SIS population.

d. Under any bonus system, the larger awards should be spread over several years (at the option of the recipient) to avoid drastic reduction due to the pay cap and tax bracket considerations.

e. Additional compensation is needed for GS-15's who are assigned to SIS positions for which no SIS ceiling allocation is available or foreseeable. Superior performance should be rewarded by SIS-type bonuses and by Quality Step Increases in addition to accelerated PSI's.

g. As an incentive to extended overseas service, employees accepting extended or successive overseas tours should be granted a bonus (somewhat similar to military reenlistment bonuses).

h. As an incentive to retention of valuable personnel, a voluntary capital accumulation program (similar to the 401(k) plan) should be established.

Benefits. We believe additional benefits will be a significant factor in recruiting and retaining our employees. We recommend giving the employee more discretion on the makeup of the individual benefit package by introducing the "cafeteria" concept (whereby, for example, the individual may opt for more government sponsored health insurance and less life insurance.) In addition, we believe the following are workable benefit enhancements:

a. As an incentive for retention, the Agency should pay a larger share (up to 100 per cent) of health and life insurance premiums based on years of service.

b. Employees should be able to "sell" rather than use some portion of their accrued annual leave. This would apply both to SIS and GS employees. The value of the annual leave could be redeemed for cash or be invested in a VIP or other tax sheltered account until the employee retired.

c. Improved relocation benefits for domestic tour transfers are needed. Despite recent legislation, there remains a need for a housing allowance for Agency personnel whose permanent career is based in D.C. (or overseas) but who are assigned elsewhere in the U.S. for a tour. Relocation benefits should also be payable for certain high quality applicants recruited outside the D.C. area.

d. CIA should consider providing college tuition support (grants or loans) for dependents and for employees taking non-job related courses. Parenthetically, a shortage of grants for advanced degrees is a national problem. In many areas there are more foreign graduate students than American in U.S. universities. A CIA program could serve as an exemplar for other government agencies and for industry as well.

e. The existing external training program should be expanded to provide educational sabbaticals to selected officers below the SIS level.

f. Some sort of incentive pay should be given to employees who are required to make frequent and high mileage trips both domestically and overseas.

g. Child care facilities should be provided in the headquarters compound.

h. Additional recreational facilities should be provided in the headquarters compound.

We recognize that many of these proposals will cost money. We are prepared to look for creative ways to provide some of the financing.